### Report and Recommendations

### The Potential for Charging Fees for Services Provided by the General Organization for Export and Import Control

PREPARED BY ATR Project

SUBMITTED TO Ministry of Foreign Trade USAID

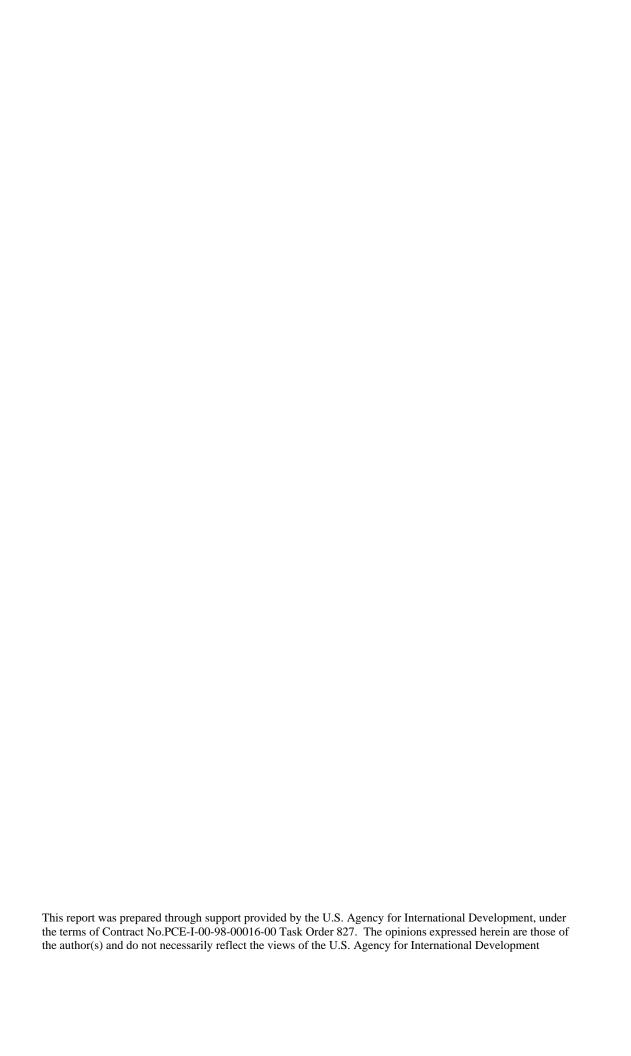
SUBMITTED BY Nathan Associates Inc II-G-04-221A

UNDER CONTRACT NO. PCE-I-00-98-00016-00 Task Order 827

June 2004







## **Contents**

Executive Summary	iii
Introduction	1
Potential New and Improved GOEIC Services	5
A One-Stop E-Platform for Trade Procedures, Regulations, and Declarations	5
Online Services Offered by Singapore's TradeNet®	7
Online Services Offered by usda'S Food Safety and Inspection Service	8
Online and Other Services Offered by the usda's Animal and Plant Health Inspection Service	9
Export Library – An Example of a New Service GOEIC Could Provide Exporters	11
Pre-Clearance Programs - An Example of a New Service GOEIC Could Provide Exporters	12
Trade Directories - An Example of a New Service GOEIC Could Provide the International and Egyptian Trading Community	12
HACCP Auditing and Seal of Safety- An Example of a New Service GOEIC Could Provide Food Exporters	12
Use of the Dekheila Training Center - An Example of New Services GOEIC Could Provide the Egyptian Trading Community	14
Services That Accredited Laboratories Could Offer the Trading Community	15
Addendum: Improving Current Services	16
Estimates of Fees that Could Be Charged for GOEIC Services	17
Singapore TradeNet® User Fees for Selected Services	17
Fees charged by APHIS	17
Animal and Plant Health Inspection Service Veterinary Services Import/Export User Fees	19
Egyptian Trade Directories	27
HACCP Auditing and Seal of Safety	27

EXECUTIVE SUMMARY II

Training Services	28
Services of Accredited Laboratories	28
Estimated Overall Revenues from Fees for the Proposed Ser	vices 31
Summary and Recommendations	33
APPENDIX A	Error! Bookmark not defined.
APPENDIX B	Error! Bookmark not defined.
APPENDIX C	Error! Bookmark not defined.
APPENDIX D	Error! Bookmark not defined.
ILLUSTRATIONS	
Tables	
APHIS User Fees for Animals and Animal Products Services	17
User Fees for Individual Animals and Certain Birds Quarantine Centers (9CFR 130.2)	d in APHIS Animal Import
User Fees for Exclusive Use of Space at APHIS Animal Import C	
User Fees for Processing Import Permit Applications (9CFR 130	,
User Fees for Inspection of Live Animals at Land Border Ports	,
Mexico Border (9CFR 130.6)	21
User Fees for Import or Entry Services for Live Animals at Land	l Border Ports Along the
United States-Canada Border (9cfr 130.7)	21
User Fees for Other Services (9CFR 130.8)	22
User Fees for Pet Birds Quarantined at Aphis-Owned or Superv	rised Quarantine Facilities (9cfr
130.10)	23
User Fees for Inspecting and Approving Import/Export Faciliti	es and Establishments (9cfr
130.11)	24
User Fees for Endorsing Export Certificates (9CFR 130.20)	25
Hourly and Premium Rate User Fees (9CFR 130.30)	26
Sample Fees for Analytical Chemistry Tests	30
Sample Fees for Microbiological Analyses Tests	31

## **Executive Summary**

The Assistance for Trade Reform (ATR) project has been working with GOEIC to help it become a more effective, customer service-oriented organization. The ATR team has proposed several new initiatives to enable GOEIC to provide more effective support to the trading community, and to play a more positive role in trade development. Two of these initiatives are the formation of a new Trade Services Center (TSC) to help GOEIC adapt to the demands of a more liberal trade environment and play a more effective trade facilitation role and the development of a Training Center in Dekheila (DTC) to ensure that the staff of GOEIC are trained to perform their functions efficiently and effectively.

Funding GOEIC as a whole, as well as these new units places a significant burden on the Ministry. Senior officials have proposed that GOEIC might be able to charge fees for some GOEIC services, in particular those new services to be offered by the TSC and DTC. If GOEIC could retain these fees to cover the cost of operations, this might alleviate some funding constraints. However, this would only be the case if the fees are sufficient to cover the cost to GOEIC of providing each of the proposed services.

The new Trade Services Center, if properly staffed and supervised with the full support of the GOEIC Chairman and his senior staff, should become the focal point for the establishment of a closer working relationship with the Egyptian private sector trading community. As such it would serve as a "customer services" unit to professionally interact with its customers, primarily the private sector trading community (and perhaps consumers in general at a later stage). In addition, through the development of new online services, as suggested in this report and other reports, the TSC unit could also serve as GOEIC's "face to the world."

As part of its role as GOEIC's customer service center, the TSC should play a key role in identifying and administering services that could be provided to the trading community for a fee. Suggestions in this report for services that could yield fees include

- Web-Based Services
- Trade Directory
- Export Library

EXECUTIVE SUMMARY IV

- Export Certifications for Foreign Market Requirements
- HACCP Services
- Accredited Laboratory Services
- Selected Training Courses

The new TSC should form an advisory group representing an extensive cross section of the import and export community to thoroughly discuss potential reforms to existing procedures, as well as new and improved services that could better facilitate and expand trade. An integral part of this public-private initiative would be the identification of new and improved services that the Egyptian private sector importers and exporters would be willing to pay for. By working together with the private sector, GOEIC would ensure that the services that it offers are the services that the trading community needs.

It needs to be noted here that some of the suggested new services would be performed within existing GOEIC units, not a newly established TSC. It is envisioned that the TSC could take the lead in at least three of the suggested new services, namely the online services, the trade directory, and the export library. Export certificates, HACCP services, and accredited laboratory services would be provided by existing GOEIC staff but could be marketed through the TSC.

The Dekheila Training Center would provide training services to the trading community. Once appropriate GOEIC and DTC staff are qualified and competent to provide training services, consideration should be given to surveying the market demand for selected feebased technical training that could be offered to the Egyptian private import and export trade. Examples of training needs of the Alexandria private sector importers and exporters could include

- Foreign language skills for businessmen
- Computer and Internet training for businessmen
- Training in HACCP principles, procedures, and implementation
- Training in meeting the product requirements of foreign markets

Courses offered should be demand-driven and researched together with the Egyptian private sector import and export trading community in Alexandria. GOEIC's proposed fees for such training could also be researched among the local trading community, as well as with local training service providers.

In cooperation with other Ministry of Foreign Trade departments (such as Trade Agreements Sector (TAS), the Foreign Trade Policy Sector (FTPS) and the Egyptian Commercial Service (ECS), the DTC could offer an expanded curriculum of foreign trade subjects to the private sector, including such topics as

• Foreign market requirements for selected Egyptian export products

EXECUTIVE SUMMARY V

• World production and consumption of selected Egyptian export products

- Impact of trade agreements on foreign trade
- How to get started in developing export markets
- · Export business plans and export marketing

These topics will be drafted in close cooperation with other related sectors of the Ministry.

It is conservatively estimated that GOEIC could generate revenues of at least LE 2 million to LE 4 million over the short- to medium-term if the new activities suggested in this report are professionally and efficiently offered to the Egyptian private sector import and export business community. In addition, the Egyptian private sector import and export business community might be willing to pay higher fees for existing services if the services were less time consuming and without unnecessary bureaucratic red tape.

One justification for being able to retain the fees charged for these services is that the provision of these services is costly to GOEIC. By retaining the fees received, GOEIC could cover the cost of providing the services and have additional funds for other activities. However, GOEIC should be ready to show that it has appropriate financial controls in place to ensure that any revenues collected will be used in the manner permitted by law.

In addition, the GOEIC needs to meet with some sort of advisory group or selection of trade and business associations representing the trading community to determine which new and improved services would facilitate and expand their trade. This public-private initiative would also need to cover the new and improved services the Egyptian private sector importers and exporters would be willing to pay for.

### Introduction

Since the General Organization for Export and Import Control (GOEIC) was established in 1971, the business environment in Egypt has undergone considerable change. Policies and regulations that were designed to protect local industries have gradually given way to efforts to promote exports and establish a more liberal and open trade regime. GOEIC's leadership has recognized the need to review the organization's role in a more liberalized trade regime, as well as the manner in which it should carry out its mandated functions.

The Assistance for Trade Reform (ATR) project has been working with GOEIC to help it become a more effective, customer service-oriented organization. The ATR team has supported several new initiatives through which GOEIC is seeking to provide more effective support to the trading community, and to play a more positive role in trade development. One of these initiatives is the formation of a new Trade Services Center (TSC) to help GOEIC adapt to the demands of a more liberal trade environment, and play a more effective trade facilitation role. Another new initiative is the development of a Training Center in Dekheila (DTC).

Senior GOEIC officials have proposed charging a fee for some TSC and GOEIC business services, and GOEIC would retain these fees to cover the cost of operations. The fees would need to be sufficient to cover the cost to GOEIC of providing each of the proposed services.

To address the fee for services issue, ATR engaged the services of a business development consultant to study the issues and to make recommendations to GOEIC, ATR, and USAID on which services GOEIC in general, and the Trade Services and Dekheila Training Center in particular, might offer on a fee basis. The consultant should determine the local competition and the potential market for each service.

The expected results of the consultancy were

A study of the services for which local businesses would be willing to pay a fee.

Introduction 2

 An examination into which of these services are already being provided in the market, whether as a free governmental service, or for a fee offered by private industry or business associations.

• Recommendations on whether such an undertaking would be viable.

The expected deliverables for the consultancy were:

- A listing of the services that GOEIC could provide, and recommendations as to which services GOEIC might be able to charge a fee to provide.
- Recommendations as to what would be an appropriate fee for each proposed service.
- An estimate of the market available for each service.

An estimate of whether the fees collected would be sufficient to offset the costs incurred to offer the services.

GOEIC is a key player in the effort of the Ministry of Foreign Trade to expand Egypt's export base and diversify the economy. As Egypt's conformity inspection body for imported goods, the efficient operation of GOEIC is critical for trade facilitation. Similarly, GOEIC's role in inspecting a range of exports gives it a direct role in facilitating export trade. GOEIC leadership is committed to continually improving its own operation and facilitating the work of the trading community, and is taking a number of steps to accomplish this. GOEIC is systematically improving its general operations.

With more than 4000 employees and significant offices in 26 locations, GOEIC presents numerous management and logistical issues that are not present anywhere else in the Ministry. In addition, the highly technical nature of the work that GOEIC's laboratories perform further complicates reform efforts. Over the past two years, GOEIC has worked closely with the USAID-funded ATR project to identify various ways to improve its operation, particularly through a systematic review of its operations and organization. This effort led to the development of a new mission statement for GOEIC and an identification of key functions and objectives. (See Appendix A.) The primary focus of the mission statement as well as the identified functions is the facilitation of trade.

GOEIC recognizes that it is important to continue to improve its existing functions and services, as outlined and approved by the Minister of Trade in the new Mission Statement and the new Statement of Functions. These improvement efforts are necessary to expand export trade, which has been given the highest priority from the top levels of the Egyptian Government. But improving its operations is both challenging and expensive. GOEIC is implementing a range of improved services with the budget the government allocates, but these funds are limited. Thus it is seeking ways to supplement that budget to pay for the needed improvements in its day-to-day operations.

Introduction 3

One source of funds, not for day-to-day operation but for capital improvements and training is the ATR project. Over the past two years, GOEIC and ATR have engaged in an extensive training program has trained hundreds of GOEIC employees in both technical and managerial matters. Cooperation between GOEIC and ATR has extended beyond the training program to working together to establish the TSC and the DTC, as mentioned earlier.

The Trade Services Center is designed to improve GOEIC's relationship with the trading community. Its core functions include providing a point of contact for companies seeking information on how to use GOEIC's services or on a shipment that is currently being inspected by GOEIC. The TSC will also operate GOEIC's web site as part of its effort to increase transparency in GOEIC's operations and to provide further support to the trading community. Finally, the TSC will work with the trading community to improve GOEIC operations in order to facilitate trade.

If properly staffed and supervised with the full support of the GOEIC Chairman and his senior staff, the TSC should become the focal point of a close working relationship with the Egyptian private sector. It would serve as a "customer services" unit to professionally interact with its customers, primarily the private sector trading community (and perhaps consumers in general at a later stage). In addition, through the development of new online services, as suggested in this report and other reports, this TSC unit could also serve as GOEIC's "face to the world."

The Dekheila Training Center is designed to create an internal capability within GOEIC to provide training to its staff in all aspects of GOEIC's operations. While the initial focus is on English language, computer skills, and technical training, courses can be developed in a range of areas relating to GOEIC's operations. Once fully established, the DTC can also be a vehicle for providing training to the trading community in matters relating to GOEIC and Customs inspections as well as the interactions with other control agencies.

But these centers are costly to operate and given the constraints on its overall budget, GOEIC is seeking opportunities to increase funding to support these activities. An obvious source of funding for an agency like GOEIC is fees for services. But current law requires that all fees obtained by GOEIC be deposited into the Treasury, and GOEIC only receives its budget allocation for its expenses. GOEIC is seeking to change this law to permit it to keep some fees. This report examines ways in which GOEIC could offer services to the trading community and the public at large for fees that could then be used to support the Centers and the rest of GOEIC.

# Potential New and Improved GOEIC Services

Based on discussions with the staff of GOEIC and ATR, a review of services offered by organizations similar to GOEIC in other countries, and the prior experience of the consultant in support of the Egyptian business community, a number of services have been identified that GOEIC might be able to offer for a fee. These include

- Improved access to information on Egypt's trade rules and regulations
- An export library a source for information on standards in export markets
- Pre-clearance program for meeting standards in other markets
- A trader directory
- · HACCP auditing and seal of safety program
- Training services through the DTC and other providers
- Accredited laboratory services

The rest of this section describes the services that might be provided under each of these headings.

# A One-Stop E-Platform for Trade Procedures, Regulations, and Declarations

One excellent example of an improved service that GOEIC could provide the Egyptian private sector export and import sector would be to make available all applicable Egyptian import and export regulations, procedures, and forms, including trade registrations on a Web site. It is recommended that this new initiative be developed and implemented as GOEIC goes through its process of reforming import and export controls, adhering to international norms and standards, obtaining needed international accreditations, and increasing transparency.

This Web site could initially be a stand alone site that would eventually be part of an overall Web site developed and maintained by the Ministry of Trade, and perhaps other Egyptian ministries, such as the Customs Authority, that are also involved with foreign trade at the governmental level.

Ideally, this new Web site should contain information on all existing functions, regulations, certifications, and registrations as they are re-examined and reformed, and made available to both the Egyptian and international business and trade community.

ATR is currently assisting GOEIC in developing such a Web site, which is currently in a prototype stage in Arabic and is located at the Cairo airport. This new Web site is expected to be operational by mid-July 2004. An English version is planned to be operational 2 to 3 months after the launch of the Arabic version. All applicable GOEIC import and export regulations and procedures will be posted on the Web site, including 33 required forms that can be downloaded by Egyptian import and export companies.

Such an improvement in services to the trading community should be welcomed by both Egyptian and foreign importers and exporters. Because the Web site would be considered a valued improvement in the existing time-consuming procedures, it is probably safe to assume that the Egyptian and international trading community would be willing to pay a premium over existing fees if it simplified existing procedures and saved time.

New services, including those suggested below, could also be incorporated into this Web site to better contribute to Egypt's improved trade facilitation goal. As recommended previously, these new services should be created in coordination with the Egyptian business community to meet their needs and GOEIC's goal of improving trade facilitation. These new services, developed in conjunction with the Egyptian private sector importers and exporters, would then be market-driven and command the payment of new fees.

Examples of Web sites of other international trade agencies in Singapore and the United States are summarized below to provide insights and to serve as a guide to GOEIC.

The Singapore TradeNet ® Web site contains a wealth of necessary information and required forms for conducting import and export trade with this country. It is operated by the Singapore Customs Authority with the participation of various governmental agencies that exercise some control over import, export, and transshipment of goods.

The Food Safety and Inspection Service (FSIS) of the U.S. Department of Agriculture (USDA) also has a comprehensive Web site, but it deals only with U.S. imports and exports of meat and poultry (including egg) products.

The last example is the Web site of the Animal and Plant Health Inspection Service (APHIS), another USDA agency, which also offers a lot of its services online, though it is not as comprehensive as the FSIS site.

### Online Services Offered by Singapore's TradeNet®

TradeNet®—the one-stop e-platform for trade declaration that is operated by the Singapore Customs Authority (<a href="www.tradenet.gov.sg">www.tradenet.gov.sg</a>)—claims to be the world's first nationwide electronic trade documentation system that approves permit applications almost instantaneously. Contributing to Singapore's pro-business environment, this revolutionary system increases efficiency and lowers business costs for the trading community.

The TradeNet® site explains the preparation, submission, and processing of import, export, and transshipment permit applications. This system is a nationwide Electronic Data Interchange (EDI) System that allows various parties from the public and private sectors to exchange structured trade messages and information electronically.

The major governmental agencies that use this system for the exchange of trade and shipping information with the private sector are the Singapore Customs and various other governmental agencies that exercise some control over the import, export, and transshipment of goods. GOEIC would need to recognize, however, that this innovative service is operated by the Singapore Customs Authority. Any attempt to duplicate this comprehensive one-stop source of all necessary trade services would also need to be spearheaded by the Egyptian Customs Authority.

The TradeNet® system integrates all import, export, and transshipment documentation processing procedures. It reduces the cost and turnaround time for the preparation, submission, processing of trade and shipping documents, and expedites the clearance of cargo.

The TradeNet® Web site offers the following types of information and permit categories, which are further detailed in Appendix B.

- General relevant trade procedures information
- Types of permit application
- How to declare your imports, exports & transshipments through the TradeNet® System
- Reasons for documentation
- Explanatory notes
- Import/export
- Transhipment
- Before submission
- Unique reference number
- Correct submission

- Cargo Clearance Permit (CCP)
- Wrong submission
- Amendment of permits
- Cancellation of permits
- Trade registration system
- Application for a Central Registration (CR) Number
- Collection of processing fee
- Permit applications not allowed under TradeNet®
- Important points to remember
- Joint permits
- Further information

# Online Services Offered by usda'S Food Safety and Inspection Service

Though more limited in its scope than the Singapore TradeNet® system, the FSIS/USDA Web site is a very comprehensive source of all relevant information, regulations, and applicable forms, permits, and certifications associated with the import and export of all meat, poultry, and egg products to and from the United States.

FSIS insures that meat, poultry, and egg products imported to the United States are produced under standards equivalent to U.S. inspection standards, and facilitates the certification of exported goods.

FSIS offers the following services online (<a href="www.fsis.usda.gov">www.fsis.usda.gov</a>) to importers and exporters of meat, poultry, and egg products. Detailed descriptions and examples of these services are fully detailed in Appendix C.

- *Port of Entry Procedures*—Find information on import requirements.
- *Export Information*—Learn requirements necessary for exporting your products to other countries including packaging, labeling, and other special conditions.
- Import Information —What requirements must countries meet to import product into the
  United States. Learn about the equivalence process, port of entry procedures, reinspection,
  labeling requirements, and products for personal consumption.
- Import and Export Data--Find information to assist constituents in accessing: trade data
  pertinent to meat and poultry imports and exports; selected documents related to imports
  of meat, poultry, and egg products; and links to selected Internet sites related to imports
  and exports of meat, poultry, and egg products.
- Codex Alimentarius--Codex activities promote the health and economic interests of consumers while encouraging fair international trade in food. The U.S. government contact point is located in FSIS.

# Online and Other Services Offered by the usda's Animal and Plant Health Inspection Service

Online Services Offered by APHIS

The Import Authorization System (IAS) of APHIS/USDA currently allows customers to submit applications to import fruits, vegetables, animal products, organisms, and vectors online, as well as to check the status of an existing application and submit revisions. Customers will also be able to submit renewal and amendment requests to their existing permits. Their Web site also offers the appropriate guidelines and user fee requirements for animal products to determine the need for a permit and to avoid unnecessary user fees or delays.

APHIS offers the following information and permits online on their Web site (www.aphis.usda.gov):

#### AGRICULTURAL INFORMATION

- Agricultural Bioterrorism Protection Act
- Bees and Bee Related Articles
- Biological Control Organisms
- Biotechnology
- Butterflies and Moths
- CITES and ESA
- Earthworms
- Fruits and Vegetables
- Miscellaneous Products (associated with khapra beetle)
- Noxious Weeds
- Phytosanitary Certificates Foreign Contacts
- Plants and Plant Products
- Plant Pests
- Snails and Slugs
- Soil
- Transit Permits
- Veterinary Services Related Permits
- Wood Products

#### AGRICULTURAL PERMITS

- PPO FORM 525A, Application for Permit to Receive Soil
- PPQ FORM 526, Application for Permit to Move Live Plant Pests or Noxious Weeds
- PPO FORM 585, Application for Permit to Import Timber or Timber Products

- <u>PPQ FORM 586</u>, Application for Permit to Transit Plants and/or Plant Products through the United States.
- PPQ FORM 587, Application for Permit to Import Plants or Plant Products
- PPQ FORM 588, Application for Permit to Import Prohibited Plants or Plant Products for Experimental Purposes
- <u>PPQ FORM 621</u>, Application for General Permit to Engage in the Business of Importing, Exporting, or Re-exporting Terrestrial Plants

#### International Services (IS) Branch of APHIS

International Services (IS) is the branch of APHIS that works outside of the United States under the authority of the Foreign Service Act (1980) and Executive Order 12363 (1982). IS directly employs more than 300 Americans (Foreign Service Officers) and host country nationals (Foreign Service Nationals) stationed in 27 foreign countries on 6 continents. Headquarter offices are located in Washington, D.C. and Riverdale, Maryland. The Deputy Administrator, IS, Washington, D.C., manages the international operations with support from his technical and administrative staff in Riverdale, Maryland. Regional offices, area offices, and work units support the IS operations in other countries. IS also shares responsibility with other international organizations to manage the work of more than 2000 host country nationals in various countries who work for international commissions set up to control specific agricultural pests or disease problems.

To reduce the threat to U.S. agriculture, IS cooperates in a number of major surveillance, eradication, and control programs in foreign countries, focusing on nations where economically significant pests or diseases are found: Mediterranean fruit fly (Mexico, Guatemala); Mexican fruit fly (Mexico); Boll weevil (Mexico); Carambola fruit fly and Tropical Bont Tick (Caribbean islands); Hydrilla (Mexico); Screwworm (Panama); exotic foreign animal diseases (Mexico); Foot-and-mouth disease prevention (Central America and Panama); Foot-and-mouth disease eradication (Colombia).

IS plays a major role in ensuring that U.S. agricultural exports are accessible to foreign countries. IS employees discuss foreign technical requirements with agricultural officials in other countries and explain U.S. agricultural health policies to them. Through these exchanges, IS reduces or eliminates quarantine barriers for U.S. agricultural products and explains the technical basis for APHIS' own requirements.

IS also works with countries seeking to establish pre-clearance programs. Foreign Service Officers (FSOs) manage permanent pre-clearance programs for fruits, vegetables, and ornamental plants destined for the United States from Caribbean, Mexico, Chile, and the Netherlands. In addition, IS cooperates with the Department of Defense in pre-clearing military personnel, baggage, and equipment used overseas before return to the United States.

Through international contacts, IS gathers and exchanges information on plant and animal health. Through contacts with counterparts, APHIS personnel in other countries obtain information about pest outbreaks, new survey techniques, and control methods. This information enhances exclusion and detection, and helps facilitate U.S. agricultural exports.

APHIS/IS represents the U.S. Government in dealing with many international and regional organizations concerned with animal and plant health: the Food and Agriculture Organization; World Health Organization; Codex Alimentarius Commission; Office International des Epizooties; World Trade Organization; the International Plant Protection Convention; Pan American Health Organization; European Plant Protection Organization; Inter-American Institute for Cooperation on Agriculture; Colombian Agricultural Institute; International Regional Plant Health Organization, and Asia and Pacific Plant Protection Commission

# Export Library — An Example of a New Service GOEIC Could Provide Exporters

FSIS/USDA provides U.S. exporters with information (and online access) regarding import requirements for meat and poultry products for numerous countries around the world.

Formerly known as the Export Library, FSIS provides online an alphabetical list of countries that have communicated their import requirements for U.S. exports of meat and poultry products. The most recent revisions to these requirements may be facilitated by looking for paragraphs followed by an asterisk.

For instance, if U.S. exporters want to export meat or poultry products to Saudi Arabia, the export company can very easily learn the requirements of this country from checking the FSIS Web site (see Appendix D).

This example applies to meat and poultry products for export to Saudi Arabia only to illustrate an important new service that GOEIC could offer the Egyptian private sector import and export trade. This "export library" type of service could be expanded to include many export products to countries all over the world. In order to provide the highest quality service to the Egyptian private sector import and export trade community, however, GOEIC would need to establish good working relationships with its foreign counterparts to maintain up-to-date information on each country's import requirements for products.

# Pre-Clearance Programs - An Example of a New Service GOEIC Could Provide Exporters

A natural extension of the new export library service would be for GOEIC to position itself to offer pre-clearance programs. For exports, GOEIC could develop closer working relationships with its foreign counterparts to work towards developing new protocols and approvals. Then the agency could issue "certificates of compliance" for its export products and export companies that certify that the exported goods conform to the requirements of the targeted export market. This would ease the delays and expenses that Egyptian exporters face in dealing with product clearances in foreign export destinations.

This would be another valuable new service that GOEIC could offer its exporters—once foreign counterparts would agree to enter into such agreements with GOEIC. It is not known how much exporters would be willing to pay for such a new service, but it is assumed that they would greatly value such a service and would accordingly pay for any reasonable associated fees.

### Trade Directories - An Example of a New Service GOEIC Could Provide the International and Egyptian Trading Community

GOEIC's Statement of Functions states that it should develop and maintain an integrated information system, including an up-to-date data base of importers and exporters, and produce an authentic directory of registered importers and exporters for all users.

This is an excellent idea for providing new services—trade directories of the entire Egyptian import and export trade—that would greatly benefit Egyptian traders, international governments, trade associations, and the private international trading community.

Some Egyptian business organizations also produce export directories occasionally, but their focus is usually limited to the sector or group of industries that constitute their membership. GOEIC would therefore be in a position to produce what could be the most comprehensive listing of Egyptian importers and exporters available, a service that international governments, trade associations, and the private international trading community would most certainly pay for, if compiled properly and professionally printed.

# HACCP Auditing and Seal of Safety- An Example of a New Service GOEIC Could Provide Food Exporters

The Hazard Analysis and Critical Control Point system (HACCP) is increasingly being used by the international food industry and governmental bodies charged with consumer safety issues. Originally designed and implemented to keep food safe in outer space for astronauts, the system is now mandatory for all U.S. food manufacturers, and has become an internationally recognized system for producing safe food.

#### HACCP involves seven principles:

- 1. *Analyze hazards*. Identify potential hazards associated with a food and develop measures to control those hazards. The hazard could be biological, such as a microbe; chemical, such as a toxin; or physical, such as ground glass or metal fragments.
- Identify critical control points. These are points in a food's production—from its raw state through processing, shipping, and consumption—at which the potential hazard can be controlled or eliminated. Examples are cooking, cooling, packaging, and metal detection.
- 3. Establish preventive measures with critical limits for each control point. For a cooked food, for example, this might include setting the minimum cooking temperature and time required to ensure the elimination of any harmful microbes.
- 4. *Establish procedures to monitor the critical control points.* Such procedures might include determining how and by whom cooking time and temperature should be monitored.
- 5. Establish corrective actions to be taken when monitoring shows that a critical limit has not been met—for example, reprocessing or disposing of food if the minimum cooking temperature is not met.
- 6. *Establish procedures to verify that the system is working properly-*-for example, testing time-and-temperature recording devices to verify that a cooking unit is working properly.
- 7. Establish effective recordkeeping to document the HACCP system. This would include records of hazards and their control methods, and the monitoring of safety requirements and action taken to correct potential problems. Each of these principles must be backed by sound scientific knowledge: for example, published microbiological studies on time and temperature factors for controlling food-borne pathogens.

We recommend that GOEIC take a proactive position on promoting the implementation of HACCP in Egypt, and strongly encourage all Egyptian food manufacturers to adopt this internationally recognized system.

GOEIC, with ATR assistance, could then train selected qualified staff in HACCP concepts, implementation, and auditing. Once trained, these GOEIC officials would then request that company approved HACCP plans (in accordance with international standards) be submitted as evidence that this new system has been implemented. The trained GOEIC officials would then arrange to visit these HACCP plants for an initial audit, along with the stipulation that

periodic reviews—again according to international standards—will be conducted. GOEIC could charge a fee for this service and subsequently even develop a "Seal of Safety" that could be used on all qualifying food products to help ensure the safety of Egyptian food products to domestic and international safety authorities and consumers.

GOEIC would then verify and validate the safety of each product manufactured by HACCP plants in Egypt through its system of laboratory testing procedures. Once the process is verified and validated, GOEIC should then offer reduced sampling procedures for those Egyptian food manufacturers meeting HACCP requirements. Ongoing periodic reviews and product sampling would ensure the smooth continuation of this new initiative.

Exporters would probably be interested in such a HACCP-based system, which would improve the safety of their products and hence their domestic and international marketability, as well as reducing the cost of products lost due to sampling. An agreement could be reached with the export trade regarding the level of fees to be paid for such an innovative, new service.

We estimate that GOEIC could charge fees of perhaps as much as LE 3,000 per company for the initial audit review of each company's HACCP system, plus additional fees for periodic reviews (every 6 to 12 months), based upon the results of the first audit and the management's implementation and oversight of their company's HACCP plan.

# Use of the Dekheila Training Center - An Example of New Services GOEIC Could Provide the Egyptian Trading Community

Once appropriate GOEIC and DTC staff are qualified to provide training services, consideration should be given to surveying the market demand for selected fee-based technical training that could be offered to the Egyptian private import and export trade. These traders are already visiting the Dekheila office of GOEIC and would most likely appreciate the chance to receive needed training at this well-equipped training facility.

Courses offered should be demand-driven and researched together with the Egyptian private sector import and export trading community in Alexandria. Proposed fees that GOEIC could charge for such training could be researched among the local trading community, but also among local service providers that offer training.

Examples of training needs of the Alexandria private sector importers and exporters include:

- Foreign language skills for businessmen
- Computer and Internet training for businessmen
- Training in HACCP principles, procedures and implementation

• Training in meeting the product requirements of foreign markets

In addition, if GOEIC can cooperate with other Ministry of Trade departments (such as Trade Agreements Sector (TAS), the Foreign Trade Policy Sector (FTPS) and the Egyptian Commercial Service (ECS), the DTC could be used to offer an expanded curriculum of foreign trade subjects to the Alexandria private sector importers and exporters. Such an expanded curriculum could include

- Foreign market requirements for selected Egyptian export products
- World production and consumption of selected Egyptian export products
- Impact of trade agreements on foreign trade
- How to get started in developing export markets
- Export business plans & export marketing

Furthermore, if the existing Training Center in Dekheila can function productively and provide new fee-based services to the Alexandria private sector import and export trade that cover associated expenses, a second training center for Cairo should be considered.

# Services That Accredited Laboratories Could Offer the Trading Community

GOEIC, with the assistance of another ATR consultant, is currently requesting an action plan to work towards meeting all international standards and procedures in order to receive accreditation in the following laboratory areas:

- Microbiology
- Pesticide residues
- · Heavy metals
- Aflatoxin
- Analytical chemistry

Once this international accreditation is achieved and accepted by the international counterparts within foreign countries, these services would fill a need in meeting the requirements for export for applicable products. For instance, fruits and vegetables currently exported to major developed countries like the United States, Japan, and the EU countries, must meet standards and be within maximum tolerance levels for a wide range of pesticides. Other pesticides are prohibited altogether.

GOEIC laboratories could offer these new services to the Egyptian private sector by conducting required testing to better facilitate foreign trade. In summary, the suggested new services include:

· Web-based services

- Export library
- Trade directory
- Pre-clearance of exports for foreign market requirements
- HACCP services
- Selected training courses
- Accredited laboratory services

Almost all of the abovementioned improvements in existing services and suggested new services would be performed within existing GOEIC units, not in a newly established TSC. It is envisioned that the TSC could take the lead in two of the suggested new services, namely the online services and the trade directory.

### Addendum: Improving Current Services

This section focuses on new services that GOEIC could offer to the trading community for a fee. Before looking at the fees that might be collected for such services, it is important to set out a few key considerations in the establishment of such services. First, it is important to stress that in preparing this list, we have focused on services that a re-engineered and improved GOEIC could offer without directly competing with any services offered in the marketplace by the private sector. The new approved functions of GOEIC detail the various governmental-level services that GOEIC should be providing the Egyptian private sector exporters and importers. The services identified above are consistent with GOEIC's role as a governmental entity and do not encroach on any services offered by private sector business service organizations and providers.

Second, we strongly urge GOEIC to meet with an advisory group representing a cross section of the import and export trade to thoroughly discuss which new and improved services the trading community needs. An integral part of this public-private initiative should be the identification of new and improved services that the Egyptian private sector would be willing to pay for. The remainder of this report provides information on fees charged by other similar governmental agencies in foreign countries that could serve as an initial guide to determining potential fees for the new and improved services identified above. Where comparable services are not available in other countries, estimates of fees from the consultant's own experience are provided as guidelines for further consideration.

Thirdly, we urge GOEIC to use its meetings with the private sector to further its dialogue with the Egyptian private sector on how the current laws and regulations on trade and related systems and procedures could be improved to better facilitate and expand foreign trade, especially Egypt's exports.

# Estimates of Fees that Could Be Charged for GOEIC Services

As highlighted above, GOEIC should meet with an advisory group to thoroughly discuss which new and improved services they could use to better facilitate and expand their trade. An integral part of this public-private initiative would be to determine a reasonable fee for each of the services to be rendered.

As a guide to these public-private sector discussions and further deliberations by GOEIC on this topic, detailed information on user fees charged for services in other countries are provided below.

### Singapore TradeNet® User Fees for Selected Services

Additional examples of user fees charged by Singapore TradeNet® are provided in Appendix B.

### Fees charged by APHIS

APHIS provides services related to the importation, entry, or exportation of animals and animal products. Further information can be obtained by visiting their Web site at <a href="https://www.aphis.usda.gov/vs/ncie/userfees.html">www.aphis.usda.gov/vs/ncie/userfees.html</a>. Included below are some examples of the fees charged by APHIS and reported on that web site.

**Table 1** 

 APHIS User Fees for Animals and Animal Products Services

APHIS Services	User fees (\$)
Processing initial applications	94
Processing amended permit	47

Processing application for renewal (Permits to import germ plasm and live animals are not renewable)	61				
Applications for fetal bovine serum Per application (when facility inspection is needed)	322				
IMPORT COMPLIANCE ASSISTANCE FOR SHIPMENT ON HOLD					
Simple	70				
Complicated	180				

SOURCE: www.aphis.usda.gov/vs/ncie/userfees.html

Note: User fees are charged for the services APHIS provides related to the importation, entry, or exportation of animals and animal products.

# Animal and Plant Health Inspection Service Veterinary Services Import/Export User Fees

**Table 2** *User Fees for Individual Animals and Certain Birds Quarantined in APHIS Animal Import Centers* (9CFR 130.2)

	User Fee (\$)			
Animal/Bird	Aug 31, 2001–Sep 30, 2001	0ct 1, 2001–Sep 30, 2002	0ct 1, 2002– Sep 30, 2003	0ct 1, 2003–Sep 30, 2004
IMPORTED IN ACCORDA	TITES NCE W CHAPTI	I Т Н Р А	ET BIR	D S O F
0-250 grams	1.50	1.50	1.50	1.75
251-1,000 grams	5.25	5.25	5.50	5.75
Over 1,000 grams	12.00	13.00	13.00	13.00
DOMESTIC OR ZOO ANIM BIRDS, AND	`	X C E P T T R Y )	S E Q U I	NES,
Bison, bulls, camels, cattle, or zoo animals	95.00	97.00	100.00	102.00
All others, including, but not limited to, alpacas, llamas, goats, sheep, and swine	25.00	26.00	26.00	27.00
EQUINES (INCLUDING EXCLUDING MINI	G ZOO IATURE	E Q U I N H O R S		Т
1st through 3rd day (fee per day)	251.00	257.00	264.00	270.00
4th through 7th day (fee per day)	182.00	186.00	191.00	195.00
8th through subsequent days (fee per day)	154.00	158.00	162.00	166.00
Miniature Horses	57.00	58.00	60.00	61.00
POULTRY (INCLUDI	NG ZO	O POU	LTRY)	
Doves, pigeons, quail	3.25	3.25	3.25	3.50
Chickens, ducks, grouse, guinea fowl, partridge, pea fowl, pheasants	6.00	6.00	6.25	6.25
Large poultry and large waterfowl, including, but not limited to game cocks, geese, swans, and turkeys	14.00	14.00	14.00	15.00
RAT	ITES			
Chicks (less than 3 months old)	8.75	9.00	9.00	9.25
Juveniles (3 months through 10 months old)	13.00	13.00	14.00	14.00
Adults (11 months old and older)	25.00	26.00	26.00	27.00

Note: The importer must either provide feed or pay for it on an actual cost basis, including the cost of delivery for any animal or bird that requires a diet other than standard feed, including but not limited to diets of fruit, insects, nectar, or fish.

**Table 3** *User Fees for Exclusive Use of Space at APHIS Animal Import Centers (9CFR 130.3)* 

	User Fee (\$)			
Animal Import Center	Aug 31, 2001–Sep 30, 2001	0ct 1, 2001– Sep 30, 2002	0ct 1, 2002–Sep 30, 2003	0ct 1, 2003–Sep 30, 2004
NEWBU	JRGH, 1	N Y		
Space A - 5,396 sq. ft. (503.1 sq. m.)	54,523	56,054	57,630	59,524
Space B - 8,903 sq. ft. (827.1 sq. m.)	89,959	92,484	95,085	97,764
Space C - 905 sq. ft. (84.1 sq. m.)	9,144	9,401	9,666	9,938

Note: If the importer chooses to pay for additional services on an hourly basis, the user fees for each employee required to perform the service are those listed in 9CFR 130.30.

**Table 4** *User Fees for Processing Import Permit Applications (9CFR 130.4)* 

		User Fee (\$)			
Service	Unit	Aug 31, 2001–Sep 30, 2001	0ct 1, 2001–Sep 30, 2002	0ct 1, 2002– Sep 30, 2003	0ct 1, 2003–Sep 30, 2004
IMPORT C	O M P L I A	N C E A	SSISTA	NCE	
Simple (2 hours or less)	Per Release	64.00	66.00	68.00	70.00
Complicated (more than 2 hours)	Per Release	164.00	169.00	174.00	180.00
BYPRODUCTS, OR PLASM (EMBRYOS ORGAN		MEN) O	RTO		
Initial Permit	Per Application	94.00	94.00	94.00	94.00
Amended Permit	Per Amended Permit	47.00	47.00	47.00	47.00
Renewed Permit <sup>2</sup>	Per Application	61.00	61.00	61.00	71.00
Processing an application for a permit to import fetal bovine serum when facility inspection is required.	Per Application	322.00	322.00	322.00	322.00

<sup>&</sup>lt;sup>1</sup> Using Veterinary Services Form 16-3, "Application for Permit to Import or Transport Controlled Material or Organism or Vectors", or Form 17-129, "Application for Import or in Transit Permits (Animals, Animal Semen, Animal Embryos, Birds, Poultry, or Hatching Eggs)"

<sup>&</sup>lt;sup>2</sup> Permits to import germ plasm and live animals are not renewable.

**Table 5** *User Fees for Inspection of Live Animals at Land Border Ports Along the United States-Mexico Border (9CFR 130.6)* 

	Per Head User Fee (\$)			
Type of Live Animal	Aug 31, 2001–Sep 30, 2001	0ct 1, 2001–Sep 30, 2002	0ct 1, 2002– Sep 30, 2003	0ct 1, 2003–Sep 30, 2004
TYPE OF LI	V E A N	I M A L		
Any ruminants not covered below	8.25	8.50	8.75	9.00
Feeder	2.25	2.25	2.50	2.50
Horses, other than slaughter	41.00	42.00	43.00	44.00
In-bond or in-transit	5.25	5.50	5.50	5.75
Slaughter	3.50	3.50	3.75	3.75

**Table 6**User Fees for Import or Entry Services for Live Animals at Land Border Ports Along the United States-Canada Border (9cfr 130.7)

	Unit	User Fee (\$)			
Type of Live Animal		0ct.1, 2000- Sep 30, 2001	0ct. 1, 2001–Sep 30, 2002	0ct. 1, 2002– Sep 30, 2003	0ct. 1, 2003–Sep 30, 2004
ANIMALS BEIN	G IMPO	RTED	INTO T	н в U.	s .
Breeding animals (grade animals, except horses):					
<ul><li>Sheep and goats</li><li>Swine</li><li>All others</li></ul>	Per head Per head Per head	0.50 0.75 3.00	0.50 0.75 3.25	0.50 0.75 3.25	0.50 0.75 3.25
Feeder animals:					
<ul><li>Cattle (not including calves)</li><li>Sheep and calves</li><li>Swine</li></ul>	Per head Per head Per head	1.50 0.50 0.25	1.50 0.50 0.25	1.50 0.50 0.25	1.50 0.50 0.25
Horses, other than slaughter and intransit	Per head	26.00	27.00	28.00	29.00
Poultry (including eggs), imported for any purpose	Per load	46.00	47.00	48.00	50.00
Registered animals, all types	Per head	5.50	5.50	5.75	6.00
Slaughter animals, all types	Per load	23.00	24.00	24.00	25.00
Animals transiting the United States:  Cattle Horses and all other animals Sheep and goats Swine	Per head Per head Per head Per head	1.25 6.25 0.25 0.25	1.50 6.50 0.25 0.25	1.50 6.75 0.25 0.25	1.50 6.75 0.25 0.25

**Table 7** *User Fees for Other Services (9CFR 130.8)* 

		User Fee (\$)				
Service	Unit	0ct. 1, 2000– Sept. 30, 2001	0ct. 1, 2001– Sept. 30, 2002	0ct. 1, 2002– Sept. 30, 2003	0ct.1, 2003-Sep 30,2004	
GERM PLASM BEING EXPORTED 1						
Embryo						
• Up to 5 donor pairs	Per certificate	76.00	79.00	81.00	83.00	
Each additional group of donor pairs, up to 5 pairs per group, on the same certificate	Per group or donor pairs	34.00	35.00	36.00	37.00	
• Semen	Per certificate	46.00	48.00	49.00	51.00	
RELEASE FROM EXPORT AGRICULTURAL HOLD						
Simple (2 hours or less)	Per release	64.00	66.00	68.00	70.00	
Complicated (more than 2 hours)	Per release	164.00	169.00	174.00	180.00	

 $<sup>^1</sup>$ This user fee includes a single inspection and resealing of the container at the APHIS employee's regular tour of duty station or at a limited port. For each subsequent inspection and resealing required, the hourly user fee of \$130.30 will apply.

**Table 8** *User Fees for Pet Birds Quarantined at Aphis-Owned or Supervised Quarantine Facilities (9cfr 130.10)* 

		Daily User Fee (\$)				
Quarantined Birds	Unit	0ct. 1, 2000– Sept. 30, 2001	0ct. 1, 2001– Sept. 30, 2002	0ct. 1, 2002– Sept. 30, 2003	0ct. 1, 2003 – Sep 30, 2004	
NUMBER OF BIRDS IN ISOLETTE						
1	Each	8.50	8.75	9.00	9.25	
2		10.00	11.00	11.00	11.00	
3		12.00	13.00	13.00	13.00	
4		14.00	15.00	15.00	15.00	
5 or more		16.00	17.00	17.00	18.00	
PET BIRDS (EXCEPT PET BIRDS OF U.S. ORIGIN ENTERING THE UNITED STATES FROM CANADA)						
Which have been out of the United States more than 60 days	Per lot	236.00	243.00	250.00	257.00	
Which have been out of the United States 60 days or less	Per lot	99.00	102.00	105.00	108.00	

 $<sup>^{1}</sup>$  This user fee includes a single inspection and resealing of the container at the APHIS employee's regular tour of duty station or at a limited port. For each subsequent inspection and resealing required, the hourly user fee in 130.30 will apply.

 $<sup>^2</sup>$  For inspection of empty containers being imported into the United States, the hourly user fee in 130.30 will apply, unless a user fee has been assessed under 7 CFR part 354.3.

**Table 9** *User Fees for Inspecting and Approving Import/Export Facilities and Establishments (9cfr 130.11)* 

	Daily Us			er Fee (\$)	
Facility	Unit	0ct. 1, 2000- Sept. 30, 2001	0ct. 1, 2001– Sept. 30, 2002	0ct. 1, 2002– Sept. 30, 2003	0ct. 1, 2003 – Sep 30, 2004
Embryo collection center inspection and approval (all inspections required during the year for facility approval).	Per year	347.00	358.00	369.00	380.00
Inspection for approval of pet food manufacturing, rendering, blending, or digest facilities					
Initial approval	Per year	404.75	404.75	404.75	404.75
• Renewal	Per year	289.00	289.00	289.00	289.00
Inspection for approval of bio-security level III labs	Lab approval to handle one set of organisms or vectors	977.00	977.00	977.00	977.00
Inspection for approval of pet food spraying and drying facilities					
• Initial approval	Per year	275.00	275.00	275.00	275.00
• Renewal	Per year	162.00	162.00	162.00	162.00
Inspection for approval of slaughter establishment					
Initial approval (all inspections)	Per year	342.00	352.00	362.00	373.00
Renewal (all inspections)	Per year	296.00	305.00	314.00	323.00
Inspection of approved establishments, warehouses, and facilities under CFR parts 94 through 96					
Approval (compliance agreement—all inspections for first year of 3-year approval)	Per year	365.00	375.00	386.00	398.00
Renewal (inspections for second and third years of 3-year approval)	Per year	211.00	217.00	223.00	230.00

**Table 10** *User Fees for Endorsing Export Certificates (9CFR 130.20)* 

	User Fee (\$)			
Certificate Categories	0ct. 1, 2000 - Sept. 30, 2001	0ct. 1, 2001 - Sept. 30, 2002	0ct. 1, 2002 - Sept. 30, 2003	0ct. 1, 2003 – Sep 30, 2004
Certificate categories				
Animal products	30.00	30.00	31.00	32.00
Hatching eggs	28.00	28.00	29.00	30.00
Non-slaughter horses to Canada	35.00	36.00	37.00	38.00
Poultry (including slaughter poultry)	28.00	28.00	29.00	30.00
• Slaughter animals, of any type (moving to Canada or Mexico)	32.00	33.00	34.00	35.00
Other endorsements or certifications	22.00	22.00	23.00	24.00
NUMBER OF TESTS OR VACCINATIONS AND NUMBER OF ANIMALS OR BIRDS ON THE CERTIFICATE				
1-2 tests or vaccinations:				
• First animal	70.00	72.00	74.00	76.00
• Each additional animal	4.00	4.00	4.25	4.25
3-6 tests or vaccinations:				
• First animal	86.00	88.00	91.00	94.00
Each additional animal	6.75	7.00	7.00	7.25
7 or more tests or vaccinations:				
• First animal	100.00	103.00	106.00	109.00
Each additional animal	8.00	8.25	8.25	8.50

Note: The user fees presented above do not apply to an export health certificate if the export health certificate is prepared for endorsement completely at the site of the inspection by an APHIS veterinarian in the course of performing inspection or supervision services for the animals listed on the certificate. If a service must be conducted on a Sunday or holiday or at any other time outside the normal tour of duty of the employee, then reimbursable overtime must be paid for each service, in addition to the user fee listed in this section. There is a maximum charge of 12 times the hourly rate in 9CFR 130.30.

**Table 11** *Hourly and Premium Rate User Fees (9CFR 130.30)* 

	Hourly and premium rate user fees (\$)			
Type of Live Animal	0ct. 1, 2000 - Sept. 30, 2001	0ct. 1, 2001 - Sept. 30, 2002	0ct. 1, 2002 - Sept. 30, 2003	0ct. 1, 2003 – Sep 30, 2004
HOURL	Y RATE			
Per hour	76.00	80.00	84.00	84.00
Per quarter hour	19.00	20.00	21.00	21.00
Per service minimum fee	23.00	24.00	24.00	25.00
PREMIUM HOURLY RA SATURDAY A		NDAY T	HROUG	Н
Per hour	88.00	92.00	96.00	100.00
Per quarter hour	22.00	23.00	24.00	25.00
PREMIUM HOURLY	RATE F	OR SU	NDAYS	
Per hour	104.00	104.00	108.00	112.00
Per quarter hour	26.00	26.00	27.00	28.00

APHIS charges the fees above for the following activities:

- Providing services to live animals for import or entry at airports, ocean ports, and rail ports.
- Conducting inspections, including laboratory and facility inspections, required to obtain permits, either to import animal products, aquaculture products, organisms, vectors, or to maintain compliance with import permits.
- Obtaining samples required to be tested, either to obtain import permits or to ensure compliance with import permits.
- Providing services for imported birds or ratites that are not subject to quarantine.
- Supervising the opening of in-bound shipments.
- Providing services for in-bound or in-transit animals to exit the United States.
- Inspecting an export isolation facility and the animals in it.
- Supervising animal or bird rest periods prior to export.
- Supervising loading and unloading of animals or birds for export shipment.
- Inspecting means of conveyance used to export birds or animals.
- Conducting inspections under part 156 of this chapter.

- Inspecting and approving an artificial insemination center or a semen collection center or the animals in it.
- Providing other import- or export- related veterinary services for which there is no flat rate user fee specified elsewhere in this part.

### **Egyptian Trade Directories**

Though there have been various Egyptian Export Directories produced by different domestic organizations over the years, there does not appear to be a comprehensive directory of the entire Egyptian trade (importers and exporters) at this time. This creates an opportunity for GOEIC, but it does make it difficult to determine how much organizations would be willing to pay for such a directory.

The closest comparison that could be found was the so-called "Agency Directory", which is published and sold by the German-Arab Chamber for Industry and Commerce in Cairo. For this directory members are charged LE 150, and non-members LE 200.

It is therefore estimated that a comprehensive and well-designed Egyptian Trade Directory could be sold for a suggested price of LE 200 per copy. If GOEIC is allowed to collect additional fees from Egyptian import and export companies for advertising in this Egyptian Trade Directory, significant additional revenues could be generated.

Assuming that 1,000 copies of this directory could be sold each year at a price of LE 200 each, this would produce LE 200,000 in additional revenues. An additional estimated LE 600,000 could be generated from advertising for a total estimate of LE 800,000.

### **HACCP** Auditing and Seal of Safety

Exporters would probably be very interested in such a HACCP-based system, which would improve the safety of their products and hence their domestic and international marketability, as well as reducing the cost of products lost due to sampling. An agreement could be reached with the export trade regarding the level of fees to be paid for this new service.

It is estimated that GOEIC could charge fees of as much as LE 3,000 per company for the initial audit review of each company's HACCP system, plus additional fees for periodic reviews every 6 to 12 months, based upon the results of the first audit and the management's implementation and oversight of their company's HACCP plan.

In order to estimate the potential for generating additional revenues from this new service for the Egyptian private sector exporters, it is assumed that 400 Egyptian export companies might be interested in this new service. This is the number of Egyptian food processors and exporters who have received assistance from the USAID-funded Agriculture Led Export Businesses (ALEB) project over the past 5 years. Assuming all 400 companies would at some time be interested in this proposed new service, additional annual revenues could reach LE 1.2 million.

### **Training Services**

Without more in-depth research and coordination with the Alexandria private sector exporters and importers, it is very difficult to not only ascertain what training course they could use, but what they would be willing to pay.

As an example, however, ATR staff provided information on training fees the project has paid for the following types of training completed so far.

Course	Fees Paid Per Person
English language	LE 400
Computer A+ certification	LE 1,000
MS System Engineer Certifications	LE 6,667
Technical Training (laboratory)	LE 2,000
International Negotiations Diploma	LE 2,000

#### Services of Accredited Laboratories

GOEIC, with the assistance of another ATR consultant, is currently requesting an action plan to work towards meeting all international standards and procedures to receive accreditation in the following laboratory areas:

- Microbiology
- Pesticide residues
- · Heavy metals
- Aflatoxin
- Analytical chemistry

Once this international accreditation is achieved and accepted by the international counterparts within foreign countries, these services would fill a need in meeting the requirements for export of applicable products. For instance, fruits and vegetables currently being exported to major developed countries, like the United States, Japan, and the EU countries must meet standards and be within maximum tolerance levels for a wide range of pesticides. Other pesticides are prohibited altogether.

To better facilitate foreign trade, GOEIC laboratories could offer new services to the Egyptian private sector by conducting required testing. An estimation of potential fees will vary depending on the analysis required.

Tables 12 and 13 detail sample fees charged for laboratory services such as Analytical Chemistry for a wide range of tests, as well as Microbiological Analyses also for a wide range of tests. These tests, under both categories, range from US \$ 13.50 for an aerobic plate count to US \$165 for pesticide screening—chlorinated hydrocarbons plus organophosphates.

It seems reasonable to assume that GOEIC could charge fees for similar services ranging from LE 50 to LE 500, depending on the actual testing needed to be performed by their accredited laboratories.

**Table 12**Sample Fees for Analytical Chemistry Tests

Test	Sample Fee (\$)
Aflatoxin (HPLC)	135.00
Aflatoxin (immuno affinity)	62.00
Arsenic	65.00
Arsenic	65.00
Ash	14.00
Benzoic Acid (HPLC)	80.00
BHA/BHT (HPLC)	160.00
Bulk Density	25.00
Cadmium (GFAA, sub ppm level)	65.00
Caffeine (HPLC)	70.00
Chromium	32.00
Color (ASTA Method)	35.00
Copper	32.00
EDTA (HPLC)	120.00
Ethylene Dibromide (EDB)	110.00
Lead (GFAA, sub ppm level)	65.00
Magnesium	32.00
Mercury (Hydride Generator AA, <1ppm)	70.00
Moisture, Toluene Distillation	25.00
Nitrate	63.00
Nitrite	42.00
Patulin (HPLC)	100.00
Peroxide Value	30.00
Pesticide Screening - Chlorinated Hydrocarbons	135.00
Pesticide Screening - Chlorinated Hydrocarbons Plus Organophosphates	165.00
Phosphorus	40.00
Piperine (ASTA Method)	40.00
Salt as NaCI (Volhard Method)	24.00
Scoville Heat Units (HPLC)	75.00
Selenium	65.00
Sorbic Acid (HPLC)	80.00
Sulfites, Monier-Williams	85.00
TBA Value (Malonaldehyde)	65.00
Volatile Oil, Steam	25.00

**Table 13** *Sample Fees for Microbiological Analyses Tests* 

Test	Sample Fee (\$)
Acetophiles, Total	19.00
Aerobic Plate Count	13.50
Anaerobic Plate Count	15.00
Bacillus cereus*	24.00
Campylobacter jejuni*	40.00
Clostridium perfringens*	24.00
Coliforms, MPN	14.50
Coliforms, Total (Petrifilm)	12.50
Coliforms, Total + E. coli MPN	20.50
E. coli, MPN (MUG)	16.50
E. coli, 0157:H7*	30.00
Howard Mold Count	44.00
Listeria monocytogenes*	29.50
Lactobacillus, Total	19.00
Pseudomonas, Total	16.00
Psychrophiles, Total	14.00
Salmonella spp.*	27.00
Shigella spp.	30.00
Staphylococcus aureus* (Plate)	14.50
Staphylococcus aureus* (petrifilm)	18.50
Staphylococcal enterotoxin	105.00
Streptococcus fecalis	28.00
Thermophiles, Total	16.50
Vibrio parahemolyticus*	35.00
Vibrio vulnificans*	35.00
Yeast and Mold Count	13.50
Yersinia enterocolitica*	22.50

### Estimated Overall Revenues from Fees for the Proposed Services

It is conservatively estimated that GOEIC could increase its revenues by at least LE 2 million to LE 4 million over the short- to medium-term if the new activities suggested in this report are professionally and efficiently offered to the Egyptian private sector import and export business community. Streamlining and modernizing existing services to improve the trade facilitation function of GOEIC could also lead to additional revenues in excess of its current reported level of LE 20 million. In the case of existing services, it is assumed that the Egyptian

private sector import and export business community would be willing to pay somewhat higher fees for existing services if they were reformed to be less time consuming and without unnecessary bureaucratic red tape.

If GOEIC pursues obtaining the necessary interdepartmental, and possibly presidential approvals needed to permit it to retain any additional revenues generated from the successful implementation of new services, it will be important to ensure that appropriate financial accounting systems are in place that could easily and accurately track these new revenues and added costs between the various units of GOEIC that would be involved in delivering these new services.

# **Summary and Recommendations**

As part of GOEIC's effort to become a more effective, customer service-oriented organization, it is seeking new resources to permit it to improve its own operations. This report has identified seven types of services that GOEIC could offer to the private sector for a fee:

- Web-based Services
- Trade Directory
- Export Library
- Export Certifications for Foreign Market Requirements
- HACCP Services
- Accredited Laboratory Services
- Selected Training Courses

Based on fees charged in other markets and reasonable assumptions regarding the value of services in the Egyptian market, it is conservatively estimated that GOEIC could increase its revenues by at least LE 2 million to LE 4 million over the short- to medium-term if the new activities suggested in this report are professionally and efficiently offered to the Egyptian private sector. Streamlining and modernizing existing services to improve the trade facilitation function of GOEIC could also lead to additional revenues in excess of its current reported level of LE 20 million.

If GOEIC proceeds to implement these new suggested services for the Egyptian private sector import and export business community, it is reasonable to assume that this organization will incur additional costs. These additional costs could be covered by establishing new fees for these services, which GOEIC could retain to cover their costs. Of course, such a system of fee retention for new services would have to be approved internally by the Egyptian Government.

Similarly, the Dekheila Training Center, which is currently underutilized, could also charge fees for any new training courses that would be offered to the Egyptian private sector import and export business community. These new courses would necessarily have additional costs, and GOEIC could lobby to retain any additional fees charged for these new training courses in order to cover their costs.